

any action or omit to take any action if the taking of such action or the failure to take such action, as the case may be, will result in the interest on any of the Series 2003-C Warrants becoming includable in gross income for purposes of federal income taxation, (ii) that it will use the "proceeds" of the Series 2003-C Warrants and any other funds of the County in such a manner that the use thereof, as reasonably expected by the County at the time of issuance of the Series 2003-C Warrants, will not cause the Series 2003-C Warrants to be "arbitrage bonds" under Section 103(b)(2) and Section 148 of the Code and the regulations thereunder and (iii) that it will satisfy the requirements of Section 148(f) of the Code and the applicable regulations thereunder. The County further covenants and agrees that it will not permit at any time any "proceeds" of the Series 2003-C Warrants or any other funds of the County to be used, directly or indirectly, in a manner which would result in any Series 2003-C Warrant being classified as a "private activity bond" within the meaning of Section 141(a) of the Code. The officers and employees of the County shall execute and deliver from time to time, on behalf of the County, such certificates, instruments and documents as shall be deemed necessary or advisable to evidence compliance by the County with said Section 103(b)(2) and Section 148 and the regulations thereunder with respect to the use of the proceeds of the Series 2003-C Warrants. Such certificates, instruments and documents may contain such stipulations as shall be necessary or advisable in connection with the stated purpose of this section and the foregoing provisions hereof, and the County hereby covenants and agrees to comply with the provisions of any such stipulations throughout the term of the Series 2003-C Warrants.

Section 10.5 Amendment of Definition of Maximum Annual Debt Service. Notwithstanding anything to the contrary contained in the Original Indenture or any of the supplements thereto, in order to provide, for purposes of determining Maximum Annual Debt Service, for the calculation of debt service on any Parity Securities to which multiple Qualified Swaps have been designated, the definition of Maximum Annual Debt Service is hereby amended to read as follows, with such amendment to be effective immediately upon the delivery of this Tenth Supplemental Indenture:

"Maximum Annual Debt Service" means the maximum amount payable in a Fiscal Year as principal of and interest on the Parity Securities then outstanding and, if applicable, any Additional Parity Securities with respect to which a Revenue Certificate or Revenue Forecast (as those terms are defined and used in Section 10.2 of the Original Indenture) is prepared and delivered, subject to the following assumptions and adjustments:

(a) that the principal amount of any such securities required by the terms thereof to be redeemed or prepaid during any Fiscal Year shall, for purposes of this definition, be considered as maturing in the Fiscal Year during which such redemption or prepayment is required and not in the Fiscal Year in which their stated maturity or due date occurs;

(b) for purposes of determining the amounts of principal and interest due in any Fiscal Year on any Parity Securities that constitute Tender Indebtedness, the options or obligations of the owners of such Parity Securities to tender the same for

purchase or payment prior to their stated maturity or maturities shall be treated as a principal maturity occurring on the first date on which owners of such Parity Securities may or are required to tender such Parity Securities for purchase or payment, except that any such option or obligation to tender Parity Securities shall be ignored and not treated as a principal maturity, and such Parity Securities shall be deemed to mature in accordance with their stated maturity schedule, if such Parity Securities are rated in one of the two highest long-term rating categories (without reference to gradations such as "plus" or "minus") by at least two Rating Agencies or such Parity Securities are rated in the highest short-term, note or commercial paper rating categories (without reference to gradations such as "plus" or "minus") by at least two Rating Agencies;

(c) the interest rate on any Variable Rate Securities subsequent to the date of calculation shall be assumed to be the lowest of (A) the maximum rate of interest that may be applicable to such Parity Securities, under the provisions thereof, (B) for so long as any hedging agreement that establishes a cap rate for such Parity Securities is in effect, such cap rate, and (C) the highest of (i) the actual interest rate on the date of calculation, or if the Variable Rate Securities in question are not yet outstanding, the initial rate (if established and binding), (ii) if the Variable Rate Securities in question have been outstanding for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (x) if interest on the Variable Rate Securities in question is excludable from gross income under the applicable provisions of the Code, the average of the various rates published as the BMA Municipal Swap Index (or comparable index if no longer published) during the ten year period ending on the last day of the month immediately preceding the date of determination, plus fifty (50) basis points, or (y) if interest on such Variable Rate Securities is not so excludable, the interest rate on direct U.S. Treasury obligations with comparable maturities;

(d) the debt service payable with respect to any Parity Securities for which the County has entered into a Qualified Swap pursuant to which the County has agreed to make payments calculated by reference to a fixed rate of interest shall be calculated as if the Parity Securities bore interest at such fixed rate during the term of such Qualified Swap;

(e) the debt service payable with respect to any Parity Securities for which the County has entered into a Qualified Swap pursuant to which the County has agreed to make payments calculated by reference to variable interest rates shall be calculated as if the Parity Securities in question bore interest, during the term of such Qualified Swap, at a rate equal to the lowest of (A) for so long as any hedging agreement that establishes a cap rate with respect to such Qualified Swap remains in effect, such cap rate, or (B) the highest of (i) the actual rate of such Qualified Swap on the date of calculation, or if such Qualified Swap is not yet in effect, the initial

rate (if established and binding), (ii) if the Qualified Swap has been in effect for at least twelve months, the average rate over the twelve months immediately preceding the date of calculation, and (iii) (x) if interest on the Parity Securities to which such Qualified Swap is referable is excludable from gross income under the applicable provisions of the Code, the average of the various rates published as the BMA Municipal Swap Index (or comparable index if no longer published) during the ten year period ending on the last day of the month immediately preceding the date of determination, plus fifty (50) basis points, or (y) if interest on such Parity Securities is not so excludable, the interest rate on direct U.S. Treasury obligations with comparable maturities;

(f) in any instance in which more than one Qualified Swap has been designated with respect to certain Parity Securities, for any period of time during which such multiple Qualified Swaps are scheduled to be in effect, the debt service payable with respect to such Parity Securities shall be calculated as if they bore interest during such period at the highest of the interest rates that, under the provisions of the preceding clauses (d) and (e), would be used as the basis for calculating debt service with respect to such Parity Securities if only one of such Qualified Swaps were in effect;

(g) if, at the time that such calculation is made, the County has entered into any Qualified Basis Swaps (other than any such swaps that have been previously terminated), then the annual debt service for any Fiscal Year during which one or more of such Qualified Basis Swaps is scheduled to be in effect shall (in addition to the adjustments described in other provisions of this definition) be increased or decreased, as the case may be, by the amount derived from aggregating the respective Basis Swap Adjustments for all of the Qualified Basis Swaps that are scheduled to be in effect at any time during such Fiscal Year;

(h) there shall be excluded any principal of or interest on any Parity Securities to the extent there are available and held in escrow or under a trust agreement (i) moneys sufficient to pay such principal or interest, (ii) Permitted Defeasance Obligations which, if the principal thereof and the interest thereon are paid according to their tenor, will produce moneys sufficient to pay such principal of interest, or (iii) both moneys and such Permitted Defeasance Obligations which together will produce funds sufficient to pay such principal or interest; and

(i) the County may assume that all or any portion of outstanding Parity Securities that are subject to optional redemption provisions will be redeemed in one or more installments that are consistent with such provisions and may adjust the expected payment schedule with respect to such Parity Securities to reflect such assumed redemptions.

In any case where, for purposes of determining Maximum Annual Debt Service, a portion of the principal of any Parity Securities is to be excluded, there shall also be excluded interest on the principal so excluded.

Section 10.6 Amendment of Conditions Precedent to Issuance of Additional Parity Securities. Notwithstanding anything to the contrary contained in the Indenture, the County shall not be required to deliver a Revenue Certificate or Revenue Forecast to the Trustee in connection with the issuance of a series of Additional Parity Securities for refunding purposes if, in lieu thereof, the County delivers to the Trustee a certificate signed by the County's Director of Finance or an Independent Investment Advisor stating either (A) (i) that the Maximum Annual Debt Service immediately after the issuance of such Additional Parity Securities will not be greater than the Maximum Annual Debt Service immediately prior to the issuance of such Additional Parity Securities and (ii) that the total debt service expected to be due and payable on such Additional Parity Securities will be less than the total debt service that would be due and payable after the issuance date of such Additional Parity Securities on those of the Parity Securities being refunded if such refunding did not occur or (B) that the debt service payable in each Fiscal Year with respect to all Parity Securities that will be outstanding after the issuance of such Additional Parity Securities will not be greater than the debt service payable in such Fiscal Year with respect to all Parity Securities outstanding immediately prior to the issuance of such Additional Parity Securities.

Section 10.7 Remarketing Agent. The County may appoint Remarketing Agents and successors to any thereof to serve as such under the provisions hereof and of a Remarketing Agreement. The Remarketing Agent for the Series 2003-C Warrants or any subseries of Series 2003-C Warrants, including any successor appointed pursuant thereto, shall be a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$25,000,000 and shall be authorized by law to perform all the duties imposed upon it by this Tenth Supplemental Indenture and the applicable Remarketing Agreement. Any additional or successor Remarketing Agent shall be appointed by the County with the consent of the applicable Bond Insurer. Any such additional or successor Remarketing Agent shall execute an instrument wherein it agrees to be bound by the provisions of the applicable Remarketing Agreement. Each Remarketing Agent shall be qualified as provided in the third sentence of this paragraph, and shall be rated at least Baa3 and/or P-3 or an equivalent rating by Moody's or otherwise be acceptable to Moody's.

Any Remarketing Agent for the Series 2003-C Warrants or any subseries of Series 2003-C Warrants may be removed (i) at any time by the Trustee acting at the direction of the Bond Insurer (which shall specify a performance-based reason for such direction) or the owners of at least 66-2/3% of the aggregate principal amount of the Series 2003-C Warrants outstanding at the time or (ii) upon 30 days' notice, by an instrument signed by the County and filed with such Remarketing Agent, the Trustee, the Tender Agent and the issuer of any Support Facility; provided that, if there shall not be more than one Remarketing Agent serving as such for the Series 2003-C Warrants or any subseries of Series 2003-C Warrants, no such removal referred to in clause (i) or (ii) shall take effect until the appointment of a successor Remarketing Agent for the Series 2003-C Warrants or subseries of Series 2003-C Warrants. The Remarketing Agent for the Series 2003-C Warrants or

any subseries of Series 2003-C Warrants may resign upon 30 days' written notice delivered to the County, the Trustee, the Tender Agent and the issuer of any Support Facility; provided that if there is only one Remarketing Agent, the resignation of the Remarketing Agent shall not be effective until a successor Remarketing Agent has been appointed and accepted such appointment.

If there shall be more than one Remarketing Agent serving as such, the County may designate one such Remarketing Agent as "Remarketing Representative" to act on behalf of all Remarketing Agents for the Series 2003-C Warrants or any subseries of Series 2003-C Warrants, and each other Remarketing Agent shall agree in writing to accept the determinations of such Remarketing Representative.

Section 10.8 Concerning the Tender Agent. (a) The County has appointed the Trustee to serve as the initial Tender Agent. The Trustee shall signify its acceptance of such appointment and its assumption of the duties and obligations imposed on it as Tender Agent by its execution and delivery of this Tenth Supplemental Indenture.

(b) Any successor Tender Agent shall signify its acceptance of such appointment and its assumption of the duties and obligations imposed upon it by the Indenture by execution and delivery of an agreement satisfactory to the Trustee, the County and the Bank.

(c) The Tender Agent may resign at any time by giving 30 days' notice to the County, the Trustee and the Bank; provided, however, that no such resignation shall become effective until a successor Tender Agent has been appointed and has accepted its duties and obligations hereunder.

(d) The County may, with the consent of the Trustee (if the existing Tender Agent is other than the Trustee) and the Bank, remove the Tender Agent by giving 30 days' notice to the Tender Agent; provided, however, that no such removal shall be effective until a successor Tender Agent has been appointed and has accepted its duties and obligations hereunder.

(e) If the Tender Agent shall resign, be removed or become incapable of acting, or if a vacancy shall occur in the office of Tender Agent for any cause, the County shall, with the consent of the Trustee and the Bank, appoint a successor Tender Agent.

(f) Any successor Tender Agent shall (i) be a commercial bank with trust powers or a trust company, (ii) have a combined capital and surplus of at least \$50,000,000, and (iii) be subject to supervision and examination by federal or state authority.

(g) Compensation of the Tender Agent shall be paid directly by the County.

(h) The provisions of the Indenture shall be applicable to any Tender Agent.

Section 10.9 Appointment of Auction Agent; Qualifications of Auction Agent, Resignation; Removal. The Bank of New York is hereby appointed Auction Agent for the Series 2003-C

Warrants. The Auction Agent shall evidence its acceptance of such appointment by entering into the Auction Agency Agreement with the County. The Auction Agent shall be (a) a bank or trust company duly organized under the laws of the United States of America or any state or territory thereof having its principal place of business in the Borough of Manhattan, in the City of New York and having a combined capital stock, surplus and undivided profits of at least \$25,000,000 or (b) a member of the National Association of Securities Dealers, Inc., having a capitalization of at least \$25,000,000 and, in either case, authorized by law to perform all the duties imposed upon it under the Auction Agency Agreement. The Auction Agent may at any time resign and be discharged of the duties and obligations created by this Tenth Supplemental Indenture by giving at least 90 days notice to the Trustee, the County and the Remarketing Agent. During the Auction Rate Period, the Auction Agent may be removed at any time by the County or the related Bond Insurer by an instrument signed by the County or such Bond Insurer and filed with the Auction Agent, the Remarketing Agent and the Trustee upon at least 90 days notice; provided that, if required by the Remarketing Agent, an agreement in substantially the form of the Auction Agency Agreement shall be entered into with a successor Auction Agent; and provided further that any direction by the Bond Insurer to remove the Auction Agent shall specify a performance-based reason for such removal.

Section 10.10 Several Capacities. Anything in this Tenth Supplemental Indenture to the contrary notwithstanding, the same entity may serve as Trustee, Support Facility Issuer, Tender Agent, Auction Agent and Remarketing Agent hereunder, and in any other combination of such capacities, to the extent permitted by law.

Section 10.11 Concerning Defeasance of Series 2003-C Warrants. For all purposes of the Indenture (including Section 16.1 of the Original Indenture), Series 2003-C Warrants bearing interest at a Commercial Paper Rate, a Daily Rate Mode or a Weekly Rate will be considered as fully paid only if the cash or Permitted Defeasance Obligations (or the combination thereof) held by the Trustee for the payment thereof will be sufficient to provide for the full payment of the principal of such Series 2003-C Warrants and interest thereon at the maximum rate applicable thereto until the earlier of the maturity date for such Series 2003-C Warrants or any date on which said Series 2003-C Warrants have been called for redemption or tender in accordance with their terms.

Section 10.12 Concerning Successors to Trustee. In addition to any other requirements contained in the Indenture, any successor Trustee appointed pursuant to Section 14.8 of the Original Indenture shall (i) be a commercial bank with trust powers or a trust company, (ii) have a combined capital and surplus of at least \$50,000,000, and (iii) be subject to supervision and examination by federal or state authority.

Section 10.13 Notices to Rating Agencies. The Trustee shall promptly furnish to each Rating Agency that maintains a rating with respect to the Series 2003-C Warrants notice of (i) receipt of any notice from the County proposing delivery of a Liquidity Facility, (ii) any change of the Trustee, the Remarketing Agent or the Tender Agent, (iii) any change or amendment of the Indenture, (iv) the expiration, termination, extension or renewal of the term of the Liquidity Facility, (v) the redemption by the County of any Series 2003-C Warrants prior to maturity, (vi) any event

resulting in a mandatory tender of the Series 2003-C Warrants, (vii) any acceleration of the maturity of the Series 2003-C Warrants, or (viii) receipt of notice of the County's intent to establish a trust for the payment of the Series 2003-C Warrants in accordance with the defeasance provisions of the Original Indenture. The Rating Agencies maintaining ratings on the Series 2003-C Warrants on the date of initial delivery of the Series 2003-C Warrants and the addresses for notices to such Rating Agencies are as follows:

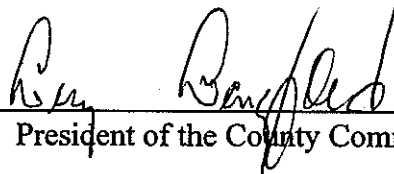
Moody's Investors Service
99 Church Street
New York, New York 10007

Standard & Poor's Ratings Services
55 Water Street
New York, New York 10041-0003
Attention: Municipal Structured Surveillance


Section 10.14 Article and Section Captions. The article and section headings and captions contained herein are included for convenience only and shall not be considered a part hereof or affect in any manner the construction or interpretation hereof.

IN WITNESS WHEREOF, the County has caused this Tenth Supplemental Indenture to be executed in its name and behalf by the President of the Governing Body, has caused its official seal to be hereunto affixed and has caused this Tenth Supplemental Indenture to be attested by the Minute Clerk of the Governing Body, and the Trustee has caused this Tenth Supplemental Indenture to be executed in its corporate name and behalf, has caused its corporate seal to be hereunto affixed and has caused this Tenth Supplemental Indenture to be attested, by its duly authorized officers, all in eight (8) counterparts, each of which shall be deemed an original, and the County and the Trustee have caused this Tenth Supplemental Indenture to be dated as of August 1, 2003, although actually executed and delivered on August 7, 2003.

JEFFERSON COUNTY, ALABAMA

By 
President of the County Commission

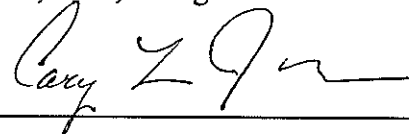
ATTEST:


Minute Clerk of the
County Commission

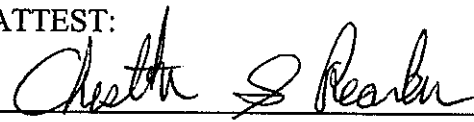
[SEAL]

THE BANK OF NEW YORK, as Successor Trustee
under the Trust Indenture of Jefferson County,
Alabama, dated as of February 1, 1997

By: The Bank of New York Trust Company
of Florida, N.A., its Agent

By 
Its VICE PRESIDENT

ATTEST:


Its Assistant Treasurer

[SEAL]

APPENDIX I

**FORM OF SERIES 2003-C WARRANTS
OTHER THAN SERIES 2003-C WARRANTS
IN AUCTION RATE MODE**

No. ____

UNITED STATES OF AMERICA

STATE OF ALABAMA

JEFFERSON COUNTY

SEWER REVENUE REFUNDING WARRANT

SERIES 2003-C

SUBSERIES DESIGNATION
[insert if applicable]

MATURITY DATE

DATE OF INITIAL DELIVERY

INTEREST RATE

February 1, 2042

*

**BEGINNING OF
RATE PERIOD**

END OF RATE PERIOD

CUSIP

472682 ____

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "County"), for value received, hereby acknowledges itself indebted to and orders and directs the County Treasurer of the County to pay to

or registered assigns, upon presentation and surrender hereof, solely out of the revenues hereinafter referred to, the principal sum of

D O L L A R S

*The Trustee is to insert one of the following, as appropriate: "Daily Rate", "Weekly Rate", "Commercial Paper Rate – ____%," "Term Rate – ____%" or "Fixed Rate – ____%".

on the Maturity Date specified above and to pay interest hereon from the date of initial delivery of this warrant, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the Daily Rate, the Weekly Rate, the Commercial Paper Rate, the Term Rate, the Fixed Rate or the Auction Rate, as hereinafter provided. Series 2003-C Warrants bearing interest at an Auction Rate shall be evidenced by a different warrant form containing certain terms and provisions specifically applicable to such warrants (which special terms and provisions are not contained herein).

Interest at the Daily Rate or the Weekly Rate shall be computed on the basis of a 365 or 366-day year, as the case may be, for the actual number of days elapsed. Interest at the Commercial Paper Rate shall be computed on the basis of a 365-day year for the actual number of days elapsed. Interest at the Term Rate or the Fixed Rate shall be computed on the basis of a 360-day year with 12 months of 30 days each.

Interest shall be payable (but solely out of the revenues hereinafter described) on overdue principal on this warrant and (to the extent legally enforceable) on any overdue installment of interest on this warrant at the rate of interest last applicable to this warrant when such overdue principal or interest became delinquent.

Interest on this warrant shall be payable in arrears on the following dates (each such date being herein called an "Interest Payment Date"):

- (1) for each Commercial Paper Rate Period, the Business Day immediately succeeding any Calculation Period, and for any Calculation Period of more than 180 days, also the Business Day immediately following the 180th day of such Calculation Period;
- (2) during an Auction Rate Period (i) for an Auction Period of 91 days or less, the Business Day immediately succeeding such Auction Period and (ii) for an Auction Period of more than 91 days, each 13th Thursday after the first day of such Auction Period and the Business Day immediately succeeding such Auction Period;
- (3) for each Daily Rate Period, the first Business Day of each month thereof;
- (4) for each Weekly Rate Period, the first Business Day of each month thereof;
- (5) for each Term Rate Period, (i) the first day of the sixth calendar month following the month in which the first day of such Term Rate Period occurred, (ii) each anniversary of the date so determined, (iii) each anniversary of the first day of the first month of such Term Rate Period, and (iv) the Business Day immediately succeeding such Term Rate Period;

(6) for the Fixed Rate Period, the February 1 or August 1 next succeeding the Fixed Rate Conversion Date and each February 1 and August 1 thereafter; but if the February 1 or August 1 next succeeding the Fixed Rate Conversion Date occurs less than 21 days after the Fixed Rate Conversion Date, the first Interest Payment Date shall be the second such date following the Fixed Rate Conversion Date;

(7) the Fixed Rate Conversion Date;

(8) any day on which Series 2003-C Warrants are subject to mandatory tender for purchase pursuant to Section 5.3 or 5.4 of the Tenth Supplemental Indenture or redemption pursuant to Section 5.1 of the Tenth Supplemental Indenture;

(9) the Stated Maturity of the Series 2003-C Warrants; and

(10) with respect to Bank Warrants, the first Business Day of each month and the date on which such Bank Warrants are remarketed and cease to be Bank Warrants.

If any Interest Payment Date is not a Business Day, the interest due on such date shall be payable on the next succeeding Business Day with the same effect as if payment was made on such Interest Payment Date.

The interest so payable, and punctually paid or duly provided for, on any Interest Payment Date will, as provided in the Indenture hereinafter referred to, be paid to the person in whose name this warrant is registered at the close of business on the Regular Record Date for such interest, which shall be the Business Day next preceding any Interest Payment Date for Series 2003-C Warrants in the Daily Rate Mode, the Weekly Rate Mode or the Commercial Paper Rate Mode, or the 15th day (whether or not a Business Day) of the month next preceding any Interest Payment Date for Series 2003-C Warrants in the Term Rate Mode or Fixed Rate Mode. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the registered Holder on such Regular Record Date, and shall be paid to the person in whose name this warrant is registered at the close of business on a Special Record Date for the payment of such defaulted interest to be fixed by the Trustee, notice of such Special Record Date being given to Holders of the Series 2003-C Warrants not less than 10 days prior to such Special Record Date.

Payment of principal, premium (if applicable) and interest on this warrant and payment of the Purchase Price of this warrant due upon optional or mandatory tender shall be made by the applicable method specified in the Indenture. All such payments shall be made in such coin or currency of the United States of America as at the time of payment is legal tender for the payment of public and private debts.

This warrant is one of a duly authorized issue or series of warrants authorized to be issued in the aggregate principal amount of \$1,052,025,000 and designated Sewer Revenue Refunding Warrants, Series 2003-C (the "Series 2003-C Warrants"). The Series 2003-C Warrants have been issued, on a parity with the Outstanding Parity Securities hereinafter referred to, under a Trust Indenture dated as of February 1, 1997 (the "Original Indenture"), between the County and The Bank of New York, Birmingham, Alabama, as Trustee (herein, in such capacity, together with its successors in trust, called the "Trustee"), as supplemented and amended by a First Supplemental Indenture dated as of March 1, 1997 (the "First Supplemental Indenture"), by a Second Supplemental Indenture dated as of March 1, 1999 (the "Second Supplemental Indenture"), by a Third Supplemental Indenture dated as of March 1, 2001 (the "Third Supplemental Indenture"), by a Fourth Supplemental Indenture dated as of February 1, 2002 (the "Fourth Supplemental Indenture"), by a Fifth Supplemental Indenture dated as of September 1, 2002 (the "Fifth Supplemental Indenture"), by a Sixth Supplemental Indenture dated as of October 1, 2002 (the "Sixth Supplemental Indenture"), by a Seventh Supplemental Indenture dated as of November 1, 2002 (the "Seventh Supplemental Indenture"), by an Eighth Supplemental Indenture dated as of January 1, 2003 (the "Eighth Supplemental Indenture"), by a Ninth Supplemental Indenture dated as of April 1, 2003 (the "Ninth Supplemental Indenture"), and by a Tenth Supplemental Indenture dated as of August 1, 2003 (the "Tenth Supplemental Indenture"). The County has heretofore issued under the Original Indenture, as supplemented and amended by the First, Second, Third, Fourth, Fifth, Sixth, Seventh, Eighth and Ninth Supplemental Indentures, (i) \$211,040,000 principal amount of its Sewer Revenue Refunding Warrants, Series 1997-A, dated February 1, 1997, (ii) \$296,395,000 principal amount of Sewer Revenue Warrants, Series 1997-D, dated March 1, 1997, (iii) \$952,695,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 1999-A, dated March 1, 1999, (iv) \$275,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2001-A, dated March 1, 2001, (v) \$110,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-A, dated March 6, 2002, (vi) \$540,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-B, dated September 1, 2002, (vii) \$839,500,000 principal amount of Sewer Revenue Refunding Warrants, Series 2002-C, dated October 25, 2002, (viii) \$475,000,000 principal amount of Sewer Revenue Capital Improvement Warrants, Series 2002-D, dated November 1, 2002, (ix) \$41,820,000 principal amount Sewer Revenue Refunding Warrant, Series 2003-A, dated January 9, 2003, and (x) \$1,155,765,000 principal amount Sewer Revenue Refunding Warrants, Series 2003-B (all of said warrants which are now outstanding being herein together called the "Outstanding Parity Securities"). As used herein, the term "Indenture" means the Original Indenture as supplemented and amended by the First Supplemental Indenture, the Second Supplemental Indenture, the Third Supplemental Indenture, the Fourth Supplemental Indenture, the Fifth Supplemental Indenture, the Sixth Supplemental Indenture, the Seventh Supplemental Indenture, the Eighth Supplemental Indenture, the Ninth Supplemental Indenture and the Tenth Supplemental Indenture. Reference is hereby made to the Indenture for a more complete description of the rights of the owners of the Series 2003-C Warrants and of the Trustee and of the County with respect to the County's sanitary sewer system (herein called the "System") and the revenues therefrom, the terms and conditions upon which the Series 2003-C Warrants are issued, and the terms and conditions upon which any Additional Parity Securities may be

issued under the Indenture. Each owner of this warrant, by the acceptance hereof, shall be deemed to assent to the provisions of the Indenture.

The County, the Trustee and _____ (the "Bank") have entered into a Standby Warrant Purchase Agreement dated as of _____, whereby, subject to the conditions specified therein, the Bank has agreed to purchase any Series 2003-C Warrant of the subseries of which this warrant is a part that is not remarketed after a tender of such warrant for purchase pursuant to the optional or mandatory tender provisions of the Tenth Supplemental Indenture. Series 2003-C Warrants purchased by the Bank (referred to in the Tenth Supplemental Indenture as "Bank Warrants") bear interest at a separate interest rate applicable only to Bank Warrants, as provided in said Standby Purchase Agreement. **Upon the occurrence of certain events described in said Standby Purchase Agreement, the Bank's obligation to purchase Series 2003-C Warrants under said Standby Purchase Agreement will be terminated or suspended.** The Tenth Supplemental Indenture provides for delivery of an Alternate Liquidity Facility on the terms and conditions contained in the Indenture. The initial Standby Warrant Purchase Agreement and any Alternate Liquidity Facility delivered to the Trustee pursuant to the Indenture are herein referred to as the "Liquidity Facility".

Copies of the Indenture and the initial Standby Purchase Agreement are on file at the Office of the Trustee, and reference is hereby made to such instruments for a description of the revenues pledged and assigned, the nature and extent of the security, the respective rights thereunder of the Holders of the Series 2003-C Warrants, the Trustee, the County and the Bank, and the terms upon which the Series 2003-C Warrants are, and are to be, authenticated and delivered.

_____ has been appointed pursuant to the Indenture as the initial Remarketing Agent for the subseries of the Series 2003-C Warrants of which this warrant is a part. The Indenture permits the County, with the consent of the Bank, to remove such Remarketing Agent and appoint a successor, subject to certain terms and conditions specified in the Indenture. The Indenture also permits the Remarketing Agent to resign without prior notice to Warrantholders.

The Trustee will serve as the initial Tender Agent under the Indenture until a successor is appointed in accordance with the terms of the Indenture.

Interest Rates

Each Series 2003-C Warrant will bear interest to but not including the Fixed Rate Conversion Date at one of the following interest rates (each, an "Adjustable Rate"): a Commercial Paper Rate, an Auction Rate, a Daily Rate, a Weekly Rate or a Term Rate. Each Adjustable Rate (other than an Auction Rate) for each Calculation Period applicable to such Adjustable Rate shall be equal to the lesser of (i) 10% per annum (12% per annum in the case of the Term Rate) and (ii) the rate of interest per annum established and certified to the Trustee by the Remarketing Agent no later than 9:30 a.m. (New York City time) on and as of the first day of such Calculation Period as the minimum rate of

interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such first day to remarket the Series 2003-C Warrants in a secondary market transaction at a price equal to the principal amount thereof plus accrued interest thereon, if any, except as otherwise provided in the Indenture. Anything in the Indenture to the contrary notwithstanding, in no event shall the interest rate borne by any Series 2003-C Warrant exceed the maximum rate allowable by applicable law. The term "Business Day" means any day other than a Saturday, Sunday or other day on which the New York Stock Exchange or banks are authorized or obligated by law or executive order to close in New York, New York, or any city in which is located the principal corporate trust office of the Trustee or the office of a Liquidity Provider at which demands for a payment under the Liquidity Facility will be made.

Commercial Paper Rate Periods

During any Commercial Paper Rate Period, at or prior to 9:30 a.m. (New York City time) on the Determination Date for each Calculation Period, the Remarketing Agent shall determine the Calculation Period and related Commercial Paper Rate. In determining each such Calculation Period, the Remarketing Agent shall take into account factors set forth in the Indenture. The Remarketing Agent shall select the Calculation Period and the applicable Commercial Paper Rate that, together with all other Calculation Periods and related Commercial Paper Rates, in the sole judgment of the Remarketing Agent, will result in the lowest overall borrowing cost on the Series 2003-C Warrants being remarketed or are otherwise in the best financial interests of the County, as determined in consultation with the County. Any Calculation Period established under the Tenth Supplemental Indenture may not extend beyond the Fixed Rate Conversion Date, the expiration date of the then effective Liquidity Facility or the day prior to the maturity date of the Series 2003-C Warrants. The County may place limitations upon the establishment of such Calculation Periods in accordance with the Tenth Supplemental Indenture.

Calculation Periods

As used in connection with the Series 2003-C Warrants, the term "Calculation Period" means (a) upon a Change in the Interest Rate Mode to the Commercial Paper Rate Mode, any period or periods during a Commercial Paper Rate Period, from and including a Business Day to and including any day not more than 270 days thereafter which is a day immediately preceding a Business Day established by the Remarketing Agent pursuant to the Indenture; (b) during any Daily Rate Period, the period from and including a Business Day to but not including the next succeeding Business Day; (c) during any Weekly Rate Period, the period from and including the effective date of the Change in the Interest Rate Mode to and including the following Wednesday (but not less than two days) and, thereafter, the period from and including the Thursday of each week to and including the following Wednesday; provided, however, that, if such Thursday is not a Business Day, the next succeeding Calculation Period shall begin on the Business Day next succeeding such Thursday and shall end on the day before the next succeeding Calculation Period; and (d) during any Term Rate Period, any period of not less than 270 days from and including a Business Day to and including any

day (established by the County pursuant to the Indenture) not later than the day prior to the maturity date of the Series 2003-C Warrants.

Conversion of Interest Rate Modes

Prior to the Fixed Rate Conversion Date, all or any portion of Series 2003-C Warrants shall cease to bear interest at the Adjustable Rate then borne by such warrants and shall bear interest at such different Adjustable Rate as shall be specified by the County, or, if so specified by the County, the interest rate applicable to all Series 2003-C Warrants may be converted to a Fixed Rate specified in accordance with the terms and subject to the conditions set forth in the Tenth Supplemental Indenture.

If any condition to the establishment of a different Adjustable Rate or Rates is not met on any date, then the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2003-C Warrant shall continue to bear interest at the Adjustable Rate then borne by this Series 2003-C Warrant and be subject to all provisions of the Indenture applicable thereto while this Series 2003-C Warrant bears interest at such Adjustable Rate.

Fixed Rate

On a Fixed Rate Conversion Date, the affected Series 2003-C Warrants shall cease to bear interest at the Adjustable Rate then borne by such Series 2003-C Warrants and shall bear interest at the Fixed Rate until maturity, upon the election by the County, to exercise its Option to Convert (as defined in the Tenth Supplemental Indenture). The Fixed Rate means the rate of interest per annum established and certified to the Trustee by the Remarketing Agent no later than 12:00 noon (New York City time) on and as of the Fixed Rate Conversion Date as the minimum rate of interest per annum which, in the opinion of the Remarketing Agent, would be necessary on and as of such date to remarket the affected Series 2003-C Warrants in a secondary market transaction at a price equal to the principal amount thereof, not to exceed 12% per annum. The Fixed Rate shall be established in accordance with the terms and subject to the conditions set forth in the Tenth Supplemental Indenture. Anything in the Indenture to the contrary notwithstanding, in no event shall the interest rate borne by any Series 2003-C Warrant exceed the maximum rate allowable by applicable law.

If any condition to the establishment of the Fixed Rate is not met on the proposed Fixed Rate Conversion Date, the mandatory tender that is scheduled to occur in connection with such conversion shall not take place, and this Series 2003-C Warrant shall continue to bear interest at the Adjustable Rate then borne by this warrant and be subject to the provisions of the Indenture applicable while this Series 2003-C Warrant bears interest at such Adjustable Rate.

If Series 2003-C Warrants begin to bear interest at the Fixed Rate as provided above, the interest rate on such Series 2003-C Warrants may not thereafter be changed to an Adjustable Rate.

Optional Tender

During any Daily Rate Period or Weekly Rate Period, any Series 2003-C Warrant or portion thereof in a principal amount equal to an authorized denomination (so long as the principal amount not purchased is an authorized denomination) shall be purchased upon the demand of the registered owner thereof, on any Business Day at a price equal to the principal amount thereof plus accrued interest, if any, to the date of purchase, upon delivery to the Tender Agent and the Remarketing Agent at their respective principal offices, by the close of business on any Business Day of a Notice of Election to Tender (the substance of which notice must also be given telephonically to the Remarketing Agent prior to or simultaneously with the delivery of such written notice). The date on which such Series 2003-C Warrant shall be purchased shall, at the request of the registered owner, (i) if the Series 2003-C Warrant then bears interest at a Daily Rate, be the date of delivery of such notice if such notice is delivered to the Tender Agent and the Remarketing Agent by 11:00 a.m. (New York City time) on such date or may be any Business Day thereafter, and (ii) if the Series 2003-C Warrant then bears interest at a Weekly Rate, shall be a Business Day not prior to the 7th day next succeeding the date of the delivery of such notice to the Tender Agent and the Remarketing Agent.

Mandatory Tenders

Change in the Interest Rate Mode. Upon a Change in the Interest Rate Mode (including, without limitation, a change to the Fixed Rate on the Fixed Rate Conversion Date), the Series 2003-C Warrants shall be subject to mandatory tender for purchase in accordance with the Tenth Supplemental Indenture on the effective date of such Change in the Interest Rate Mode, at a price equal to the principal amount thereof.

Business Day Following Calculation Periods. Series 2003-C Warrants bearing a Commercial Paper Rate or a Term Rate shall be subject to mandatory tender for purchase in accordance with the Tenth Supplemental Indenture on the Business Day immediately following each Calculation Period at a price equal to the principal amount thereof.

Expiration, Termination, Substitution or Amendment of any Liquidity Facility. Except as otherwise set forth in the last sentence of this paragraph, the Series 2003-C Warrants shall be subject to mandatory tender for purchase at a price equal to the principal amount thereof, (i) on the second Business Day immediately preceding the substitution of an Alternate Liquidity Facility for an existing Liquidity Facility or the effective date of a Liquidity Facility Amendment which results in a reduction or withdrawal of the short-term or long-term rating assigned to the Series 2003-C Warrants, as further described in Section 6.2(b) of the Tenth Supplemental Indenture, (ii) on the first anniversary of the Liquidity Provider's initial failure to maintain its rating (unless sooner restored) as specified in Section 6.2(c) of the Tenth Supplemental Indenture, and (iii) on the second Business Day immediately preceding the date of expiration or termination of any Liquidity Facility (other than a termination that results from an event that permits termination of such Liquidity Facility without

notice), unless on or prior to the 45th day prior to such date of expiration or termination or the effective date of such Liquidity Facility Amendment or such first anniversary of the initial failure of the Liquidity Provider to maintain its short-term ratings the County has furnished to the Trustee (a) an agreement by the Liquidity Provider to extend such Liquidity Facility in the case of an expiration or (b) an Alternate Liquidity Facility in replacement of the expiring or terminating Liquidity Facility or the Liquidity Facility whose Liquidity Provider has so failed to maintain its short-term ratings, together with confirmation of ratings of the Series 2003-C Warrants in accordance with the Tenth Supplemental Indenture. No tender for purchase of any Series 2003-C Warrant as a result of the expiration, termination, substitution or amendment of the Liquidity Facility shall be required pursuant to the Tenth Supplemental Indenture if the Fixed Rate Conversion Date shall have occurred with respect to such Series 2003-C Warrants on a date prior to such date of expiration, termination or substitution, or the effective date of a Liquidity Facility Amendment.

General Tender Provisions

If interest has been paid on the Series 2003-C Warrants, or an amount sufficient to pay interest thereon has been deposited in the Debt Service Fund, or an amount sufficient to pay accrued interest thereon, if any, has been set aside in the Warrant Purchase Fund and the purchase price equal to the principal of, and premium, if any, on the Series 2003-C Warrants shall be available in the Warrant Purchase Fund for payment of Series 2003-C Warrants subject to tender for purchase pursuant to the Tenth Supplemental Indenture, and if a registered owner fails to deliver or does not properly deliver the Series 2003-C Warrants to the Tender Agent for which a Notice of Election to Tender has been properly filed or which are subject to mandatory tender for purchase on the purchase date therefor, such Series 2003-C Warrants shall nevertheless be deemed tendered and purchased on the date established for the purchase thereof, interest on such Series 2003-C Warrants shall cease to be payable to the former registered owners thereof from and after the date of purchase and such former registered owners shall have no rights under the Indenture as the registered owners of such Series 2003-C Warrants, except the right to receive the purchase price of and interest to the purchase date, if any, on such Series 2003-C Warrants upon delivery thereof to the Tender Agent in accordance with the provisions of the Tenth Supplemental Indenture. The payment of Series 2003-C Warrants tendered upon the election of the registered owner shall be subject to delivery of such Series 2003-C Warrants duly endorsed in blank for transfer or accompanied by an instrument of transfer thereof in form satisfactory to the Tender Agent executed in blank for transfer at the principal office of the Tender Agent at or prior to 11:30 a.m. for Series 2003-C Warrants bearing interest at a Weekly Rate and 12:00 noon for Series 2003-C Warrants bearing interest at a Daily Rate (New York City time), on a specified purchase date. The Tender Agent may refuse to make payment with respect to any Series 2003-C Warrants tendered for purchase pursuant to the Tenth Supplemental Indenture not endorsed in blank or for which an instrument of transfer satisfactory to the Tender Agent has not been provided.

Redemption

In the manner and with the effect provided in the Indenture, the Series 2003-C Warrants will be subject to redemption prior to Maturity as follows:

Optional Redemption. The Series 2003-C Warrants shall be subject to redemption at the option of the County:

(a) For any Commercial Paper Rate Period applicable to Series 2003-C Warrants, such warrants shall be subject to redemption (i) on each Interest Payment Date for such Commercial Paper Rate Period, as a whole or in part, at the principal amount thereof, and (ii) on any Business Day, as a whole or in part, at the principal amount thereof plus accrued interest, if any, to the date fixed for redemption.

(b) For any Daily Rate Period applicable to Series 2003-C Warrants, such warrants shall be subject to redemption on any Business Day, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(c) For any Weekly Rate Period applicable to Series 2003-C Warrants, such warrants shall be subject to redemption on any Business Day, as a whole or in part, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(d) For any Term Rate Period and after the Fixed Rate Conversion Date applicable to Series 2003-C Warrants, such warrants shall be subject to redemption in whole or in part on any Business Day on or after the tenth anniversary of the commencement of such Term Rate Period or the Fixed Rate Conversion Date, as the case may be. The redemption price shall be equal to the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

(e) The Series 2003-C-8 Warrants shall be subject to redemption, in whole or in part, from such maturity or maturities as shall be specified by the County, on February 1, 2010, and on any date thereafter, at the principal amount thereof, plus accrued interest, if any, to the date fixed for redemption.

Scheduled Mandatory Redemption. The Series 2003-C Warrants initially issued as subseries 2003-C-9 and 2003-C-10 (the "FSA-Insured Warrants") shall be redeemed at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2009	\$ 2,700,000	2020	\$ 3,025,000
2010	2,800,000	2021	3,125,000
2011	2,900,000	2022	4,875,000
2012	3,025,000	2023	18,675,000
2013	3,150,000	2024	19,425,000
2014	3,275,000	2025	20,200,000
2015	3,400,000	2026	18,975,000
2016	3,550,000	2027	19,725,000
2017	28,675,000	2028	20,525,000
2018	30,850,000	2029	9,650,000
2019	9,500,000		

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which FSA-Insured Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular FSA-Insured Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in the Tenth Supplemental Indenture, FSA-Insured Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such FSA-Insured Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In any event the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of FSA-Insured Warrants scheduled for redemption on such date: (i) the principal amount of FSA-Insured Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of FSA-Insured Warrants previously redeemed (other than FSA-Insured Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

The Series 2003-C Warrants initially issued as subseries 2003-C-1 through 2003-C-8 (the "FGIC-Insured Warrants") shall be redeemed at a redemption price equal to 100% of the principal amount to be redeemed plus accrued interest thereon to the redemption date, on February 1 (or, in the case of Auction Rate Warrants, if any such February 1 is not an Interest Payment Date, then on the first Interest Payment Date subsequent thereto) in years and principal amounts (after credit as provided below) as follows:

<u>Year</u>	<u>Amount</u>	<u>Year</u>	<u>Amount</u>
2029	\$ 11,700,000	2035	\$ 25,325,000
2030	87,000,000	2036	26,325,000
2031	90,500,000	2037	102,250,000
2032	22,500,000	2038	105,700,000
2033	23,400,000	2039	112,950,000
2034	24,350,000	2040	98,550,000

\$89,450,000 of the FGIC-Insured Warrants
will be retired at Maturity

Not less than 60 days prior to each such scheduled mandatory redemption date, the County may specify the particular subseries from which FGIC-Insured Warrants are to be called for such redemption and (if more than one subseries is so specified) the respective principal amounts to be called for redemption from each thereof. In any such case, the particular FGIC-Insured Warrants (or portions thereof) within a given subseries to be called for redemption shall be selected by the Trustee by lot. If the County fails to make such a specification with respect to any scheduled mandatory redemption date, not less than 45 or more than 60 days prior to each such scheduled mandatory redemption date, the Trustee shall proceed to select for redemption, as provided in the Tenth Supplemental Indenture, FGIC-Insured Warrants or portions thereof in an aggregate principal amount equal to the amount required to be redeemed and shall call such FGIC-Insured Warrants or portions thereof for redemption on such scheduled mandatory redemption date. In any event the County may, upon direction delivered to the Trustee not less than 60 days prior to such scheduled mandatory redemption date, direct that any or all of the following amounts be credited against the principal amount of FGIC-Insured Warrants scheduled for redemption on such date: (i) the principal amount of FGIC-Insured Warrants delivered by the County to the Trustee for cancellation and not previously claimed as a credit; and (ii) the principal amount of FGIC-Insured Warrants previously redeemed (other than FGIC-Insured Warrants redeemed pursuant to this paragraph) and not previously claimed as a credit.

Procedure for Redemption. In the event any of the Series 2003-C Warrants are called for redemption, the Trustee shall give notice of the redemption of such warrants, which notice shall specify the full title, including the subseries, if any, of the Series 2003-C Warrants, the redemption date, the place of redemption and the redemption price payable upon such redemption; that the interest on the Series 2003-C Warrants, or on the principal amount thereof to be redeemed, shall cease to accrue from and after such redemption date; and that on such date there will become due and payable on the Series 2003-C Warrants, the principal amount thereof to be redeemed and the interest accrued on such principal amount to the redemption date, if any, and the premium, if any, thereon. Each notice of redemption mailed to the Holder of a Series 2003-C Warrant to be redeemed

shall, if less than the entire principal amount thereof is to be redeemed, also state the principal amount thereof and the distinctive numbers of the Series 2003-C Warrants to be redeemed and that such warrant must be surrendered to the Trustee in exchange for the payment of the principal amount thereof to be redeemed, premium, if any, thereon, and accrued interest, if any, thereon, and the issuance of a new Series 2003-C Warrant equaling in principal amount that portion of the principal amount not to be redeemed of the Series 2003-C Warrant to be surrendered.

Except as otherwise provided in the Tenth Supplemental Indenture, notice of redemption shall be given by mailing a copy of the redemption notice by first-class mail at least 30 days (15 days for Series 2003-C Warrants bearing interest at an Adjustable Rate) prior to the date fixed for redemption to the registered owners of the Series 2003-C Warrants to be redeemed at the addresses shown on the registration books maintained by the Trustee; provided, however, that failure to give notice to any Holder of a Series 2003-C Warrant, or any defects in such notice, shall not affect the proceedings for the redemption of the Series 2003-C Warrants for which notice has been given.

If at any time of mailing of notice of an optional redemption there shall not have been deposited with the Trustee moneys sufficient to redeem all the Series 2003-C Warrants called for redemption, such notice may state that it is conditional, that is, subject to the deposit of moneys sufficient for the redemption with the Trustee on or prior the redemption date, and such notice shall be of no effect unless such moneys are so deposited.

Under the Indenture, the Outstanding Parity Securities and the Series 2003-C Warrants are equally and ratably secured by a pledge of certain revenues from the System that remain after the payment of the expenses of operating and maintaining the System. Upon compliance with certain conditions specified in the Indenture, the County may issue additional securities (without limitation as to principal amount) that are secured by the Indenture on a parity with the Outstanding Parity Securities and the Series 2003-C Warrants with respect to the pledge of the aforesaid revenues from the System.

The Indenture permits the amendment of the Series 2003-C Warrants and the Indenture, and waivers of past defaults under such instruments and the consequences of such defaults, in certain circumstances without consent of Warrantholders and in other circumstances with the consent of all Warrantholders or a specified percentage of Warrantholders. Any such consent or waiver by the Holder of this warrant shall be conclusive and binding upon such Holder and upon all future Holders of this warrant and of any warrant issued in exchange herefor or in lieu hereof, whether or not notation of such consent or waiver is made upon this warrant.

The Holder of this warrant shall have no right to enforce the provisions of the Indenture, or to institute any action to enforce the covenants therein, or to take any action with respect to any default thereunder, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Indenture.

As provided in the Indenture and subject to certain limitations therein set forth, this warrant is transferable on the Warrant Register maintained at the Office of the Trustee, upon surrender of this warrant for transfer at the Office of the Trustee, together with all necessary endorsements for transfer, and thereupon one or more new Series 2003-C Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and for a like aggregate principal amount, will be issued to the designated transferee or transferees.

As provided in the Indenture and subject to certain limitations therein set forth, the Series 2003-C Warrants are exchangeable for other Series 2003-C Warrants of the same Maturity, subseries and interest rate, of any Authorized Denominations and of a like aggregate principal amount, as requested by the Holder surrendering the same.

No service charge shall be made for any transfer or exchange hereinbefore referred to, but the County may require payment of a sum sufficient to cover any tax or other governmental charge payable in connection therewith.

The County and the Trustee may treat the person in whose name this warrant is registered as the owner hereof for the purpose of receiving payment as herein provided and for all other purposes, whether or not this warrant is overdue, and neither the County nor the Trustee shall be affected by notice to the contrary.

No covenant or agreement contained in this warrant or the Indenture shall be deemed to be a covenant or agreement of any officer, agent or employee of the County, and neither any member of the governing body of the County nor any officer executing this warrant shall be liable personally on this warrant or be subject to any personal liability or accountability by reason of the issuance of this warrant.

Any terms used herein which are defined in the Indenture shall have the respective meanings set forth in the Indenture.

It is hereby certified, recited and declared that all acts, conditions and things required to exist, happen and be performed precedent to and in the execution and delivery of the Indenture and issuance of this warrant do exist, have happened and have been performed in due time, form and manner as required by law.

Unless the certificate of authentication hereon has been executed by the Trustee by manual signature, this warrant shall not be entitled to any benefit under the Indenture or be valid or obligatory for any purpose.

IN WITNESS WHEREOF, the County has caused this warrant to be duly executed under its official seal.

JEFFERSON COUNTY, ALABAMA

By _____
President of the County Commission

ATTEST:

Minute Clerk of the County Commission

[S E A L]

CERTIFICATE OF AUTHENTICATION

This is one of the Series 2003-C Warrants referred to in the within-mentioned Indenture.

Date of authentication: _____, _____.

THE BANK OF NEW YORK,
as Trustee

By _____
Authorized Officer

ASSIGNMENT

For value received, _____ hereby sell(s), assign(s) and transfer(s) unto _____ this warrant and hereby irrevocably constitute(s) and appoint(s) _____ attorney to transfer this warrant on the books of the within named County at the office of the within named Trustee, with full power of substitution in the premises.

Dated: _____

NOTE: The name signed to this assignment must correspond with the name of the payee written on the face of the within warrant in all respects, without alteration, enlargement or change whatsoever.

Signature Guaranteed:

(Bank or Trust Company)

By _____
(Authorized Officer)

**FORM OF SERIES 2003-C WARRANTS
IN AUCTION RATE MODE**

No. ____

UNITED STATES OF AMERICA

STATE OF ALABAMA

JEFFERSON COUNTY

SEWER REVENUE REFUNDING WARRANT

SERIES 2003-C

SUBSERIES DESIGNATION
[insert if applicable]

MATURITY DATE

DATE OF INITIAL DELIVERY

INTEREST RATE

February 1, 2042

Auction Rate

CUSIP

472682 ____

JEFFERSON COUNTY, ALABAMA, a political subdivision of the State of Alabama (the "County"), for value received, hereby acknowledges itself indebted to and orders and directs the County Treasurer of the County to pay to

or registered assigns, upon presentation and surrender hereof, solely out of the revenues hereinafter referred to, the principal sum of

D O L L A R S

on the Maturity Date specified above and to pay interest hereon from the date of initial delivery of this warrant, or the most recent date to which interest has been paid or duly provided for, until the principal hereof shall become due and payable at the Auction Rate, as hereinafter provided. Series 2003-C Warrants bearing interest at an interest rate other than the Auction Rate shall be evidenced by a different warrant form containing certain terms and provisions specifically applicable to such warrants (which special terms and provisions are not contained herein).